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STATE OF INDIANA  
INDIANA UTILITY REGULATORY COMMISSION

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REGULATORY COMMISSION

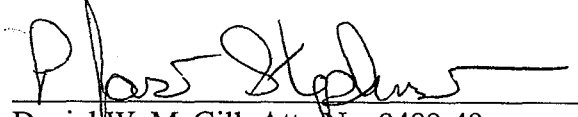
PETITION OF INDIANA-AMERICAN )  
WATER COMPANY, INC. FOR )  
AUTHORITY TO INCREASE ITS RATES )  
AND CHARGES FOR WATER AND )  
SEWER SERVICE, FOR APPROVAL OF )  
NEW SCHEDULES OF RATES AND )  
CHARGES APPLICABLE THERETO, )  
AND FOR APPROVAL OF CERTAIN )  
TARIFF CHANGES TO IMPLEMENT A )  
TRACKING MECHANISM FOR )  
PURCHASED POWER COSTS )

CAUSE NO. 43187

**PETITIONER'S SUBMISSION OF CORRECTIONS TO  
JOSEPH VAN DEN BERG'S PREFILED DIRECT TESTIMONY**

Pursuant to the Prehearing Conference Order in this matter, Petitioner, Indiana-American Water Company, Inc. ("Petitioner") by counsel, submits herewith corrections to the prefiled testimony of Joseph Van den Berg. The corrections concern page 12 of Petitioner's Exhibit AJV and were identified in response to an OUCC discovery request. A redline showing the revisions to page 12 is attached hereto as Attachment A. Petitioner will offer Mr. Van den Berg's testimony into evidence with the revised page 12 in the form shown on Attachment B.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "P. Jason Stephenson", is written over a horizontal line.

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Attorneys for Petitioner  
Indiana-American Water Company, Inc.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was served by First Class United States Mail, postage prepaid, upon the following, this 14<sup>th</sup> day of March, 2007.

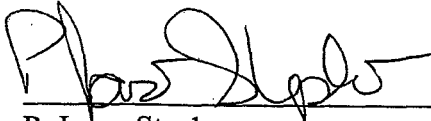
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P. Jason Stephenson

1 Similarly, an article appearing in Public Utilities Reports, Inc. estimated the  
2 cost of CIS replacement at \$50 per customer.<sup>3</sup> This estimate projects a  
3 price of installing a CIS system for Indiana American at \$13.6 million,  
4 based on Indiana American's 2003 customer base of 272,000. AWW's  
5 total expense considering a 2003 customer base of 2.9 million would have  
6 been \$145 million, \$13.6 million of which would have been allocated back  
7 to Indiana American.

Deleted: In 2005, Meta Group conducted a study which estimated the average cost to install a CIS at \$44 per customer. Costs varied by utility size; small utilities averaged \$68 per customer, medium utilities \$54 per customer, and large utilities \$34.88 per customer

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8 Based on the industry benchmarks, I estimate that the current costs for a  
9 CIS implementation for a company the size of Indiana American and with  
10 similar functionality, would cost in excess of \$10 million. These estimates  
11 are validated by my client experiences, proprietary knowledge of non-  
12 clients costs, and internal estimates of proposal-quality costs. Indiana  
13 American implemented its Orcom E-CIS for much less.

14 **Q. What about the Commission's concern that E-CIS costs increased**  
15 **simply because Indiana American went live with E-CIS as one of**  
16 **twenty two companies rather than only one of eight?**

17 **A.** This concern results from the second basic misunderstanding of the  
18 original Orcom agreement. The original Orcom agreement was intended

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<sup>3</sup> Dr. Zarko Sumic, North American CIS Market in Transformation Public Utilities Reports, Inc., May, 2004

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